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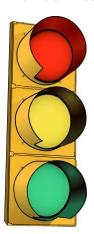
Reminder Regarding Medicare Billing Rules for Ambulance Services Rendered to Medicare Patients During an Inpatient Hospital Stay

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

## **Provider Types Affected**

Suppliers of ambulance services billing Medicare carriers for services provided to Medicare patients during an inpatient hospital stay.

### **Provider Action Needed**



#### STOP – Impact to You

The purpose of this Special Edition is to remind ambulance service suppliers of the rules regarding payment for certain services provided to Medicare patients in an inpatient hospital stay.

#### **CAUTION – What You Need to Know**

The Centers for Medicare & Medicaid Services (CMS) will add an edit in the Medicare's claims processing systems to prevent payment by carriers for services that are bundled in the hospital's payment under the applicable inpatient Prospective Payment System (PPS).

### GO - What You Need to Do

Please see the Background and Additional Information Sections of this article for further details.

# **Background**

The Social Security Act (Section 1886(d) and (g)) established several Prospective Payment Systems (PPS) for inpatient services furnished to Medicare beneficiaries, and under the inpatient PPSs, Medicare Fiscal Intermediaries (FIs) reimburse hospitals a predetermined amount for services furnished to Medicare beneficiaries based on the beneficiary's condition and severity of treatment modalities.

All services received by hospital inpatients must be supplied by the hospital either directly or under arrangements. With the exception of the days of admission and discharge, costs for transportation of a hospital inpatient by ambulance (to and from another hospital, freestanding facility, or physician's office) to receive specialized services, and costs for radiology services (including computed tomography scans)

#### Disclaimer

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furnished to inpatients by a physician's office, another hospital or a radiology clinic are not payable by Medicare.

CMS will add an edit in its claims processing systems to prevent payment by carriers for services that are bundled to the hospital. As an initial implementation of this policy, Medicare will cease making payments to independent suppliers of ambulance services for beneficiaries in an inpatient hospital stay.

#### **Additional Information**

As a reminder, all Medicare claims processing information is in the Medicare Claims Processing Manual. This manual may be viewed at

http://www.cms.hhs.gov/Manuals/IOM/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=1&sortOrder=ascending&itemID=CMS018912 on the CMS web site.

If you have any questions, please contact your carrier or intermediary at their toll-free number, which may be found at: http://www.cms.hhs.gov/apps/contacts/ on the CMS web site.